

Seattle's Maritime Cluster

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Executive Summary

The City of Seattle's Office of Economic Development commissioned this report to analyze the Maritime Industry in Seattle, an industry selected for its accessible, family-wage job base and its competitive strength in the region.

This study includes the wide range of businesses that are included in, and provide services to, the Maritime Industry in Seattle. The Maritime Industry is called out separately in this report, and is also included in a broader Basic Industries report, which includes all of the industrial jobs in Seattle.

This study relies on input from many business leaders in the cluster, as well as statistical data from private and public sources. Key findings are:

- **Maritime Employment and Wages:** The maritime cluster in King County employed 16,652 individuals in 2007. About 9,400 of these jobs were positions eligible for covered employment insurance, and these covered jobs paid an average wage of \$70,745 on an annual basis. Other workers are employed part time and in the fishing industry many workers are compensated through crew shares, providing variable compensation from year to year.
- **Business Revenues:** King County maritime businesses generated over \$5.6 billion in output in 2007.
- **Exports:** The maritime cluster exported over \$1.2 billion to foreign customers in 2006, about 25 percent of total production from the private sector industries within the cluster.
- **Growth:** employment of workers eligible for unemployment insurance grew by 3.5 percent from 2002 to 2007, while the total payroll of the cluster grew by 20 percent.
- **Multiplier Effects:** When multiplier effects are considered, the Maritime Cluster supported employment of 60,237 workers in King County, and generated \$10.354 billion in revenues. Purchases by three key industries in the cluster from other industries in Washington totaled over \$1 billion.
- **Key Areas of Concern for Industry Leaders.** Through focus groups and a survey, business leaders indicated the following major concerns:
 - **Transportation:** Maritime firms cited uncertainty surrounding the Viaduct as an especially important challenge to operations and long term planning activities.
 - **Labor Shortages:** Maritime firms cited an aging labor force and key shortages in many positions, especially vessel crew members, tugboat pilots, and marine engineers, technicians, and architects.
 - **Regulatory Challenges:** Firms within the maritime cluster expressed concern that they are subject to increasingly onerous and overlapping regulations, which are especially impactful to firms during times of growth and capital reinvestment.